GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:3941
ANSWERED ON:21.04.2008
CULTIVATION OF OILSEEDS
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Will the Minister of AGRICULTURE be pleased to state:

(a) whether there has been a 40% decrease in the production of oilseeds;

(b) if so, the details regarding production of oilseeds during the last three years, State- wise;

(c) whether oil mills are unable to utilize their installed capacity due to shortfall in production; and

(d) if so, the details thereof and the action taken thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE(SHRI KANTI LAL BHURIA)

(a) & (b): No, Sir. As per the 2nd Advance Estimates released on 7th February 2008, production of oilseeds during 2007-08 is estimated at 27.16 million tonnes which is 11.8% more than the oilseeds production of 24.29 million tonnes during 2006-07. The State-wise details of production of oilseeds during the last 3 years are given in the Annexure.

(c) & (d): The oilseeds production in the country is less than the installed processing capacity of oil mills, solvent extraction plans, refineries and vanaspati units. The capacity utilization of these units ranges between 10% to 45%. The steps taken by the Government to improve the condition of vegetable oil industry include:

(i). Import of oilseeds/edible oil except copra/coconut oil has been allowed under Open General Licence (OGL).

(ii). To increase the production of oilseeds in the country a Centrally Sponsored Integrated Scheme for Oilseeds, Pulses, Oil Palm and Maize (ISOPOM) is under implementation.

(iii). Enhancement of incentives to the farmers through higher Minimum Support Prices of oilseeds.

(iv). Import duty on crude vegetable oils of edible grade has been kept at zero percent and at 75% on refined oils to facilitate raw materials availability.

(v). Excise duty on food grade hexane has been reduced from 32% to 16% to encourage production of solvent extracted oils in the country and to promote export of extractions.

(vi). Crude and refined edible grade vegetable oils have been exempted from 4% Special Additional Duty (SAD) with effect from 01.03.2007.